

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 6596

Tariff filing of Citizens Communications Company,
d/b/a Citizens Energy Services, requesting a rate
increase in the amount of 40.02%, to take effect
December 15, 2001

PREFILED TESTIMONY OF
DEENA L. FRANKEL
ON BEHALF OF THE
VERMONT DEPARTMENT OF PUBLIC SERVICE

March 7, 2002

Summary: The purpose of Ms. Frankel's testimony is to recommend the imposition of service quality and reliability performance, monitoring and reporting requirements governing service provided by Citizens Energy Services.

Prefiled Testimony
of
Deena L. Frankel

1 Q. Please state your name and occupation.

2 A. My name is Deena L. Frankel, and I am the Director for Consumer Affairs &
3 Public Information for the Vermont Department of Public Service (DPS).

4 Q. Please state your educational background and professional experience.

5 A. I attended Florida State University, majoring in mass communications. I am
6 currently enrolled in a Master of Arts program at the McGregor School of Antioch
7 University and have completed my course work in that program. Prior to coming to
8 Vermont in 1994, I worked for 17 years in Florida and Connecticut at the state and local
9 levels in the fields of consumer and disabilities research and advocacy, organizational
10 development and marketing. Between 1994 and 1997, I owned and operated an
11 organizational development consulting firm based in Montpelier. I have over twenty years
12 of management experience, including grants management, contract supervision and
13 administration in both large and small organizations. From 1996 to 2000, I also served as
14 an adjunct faculty member of the Woodbury College Mediation and Conflict Management
15 Certificate Program.

16 Q. What are your responsibilities in your current position?

17 A. I am responsible for administering the Department's Consumer Affairs & Public
18 Information Division (CAPI). CAPI is responsible for resolving consumer complaints
19 against regulated utilities and cable companies, advocating for policies which protect
20 consumer interests and educating consumers about utility issues so they can more
21 effectively advocate for themselves. I supervise four consumer advocate positions,
22 represent the Department in policy, legislative and public information initiatives related to

1 consumer issues, and carry out DPS's administrative responsibilities with respect to
2 Vermont's Universal Services Fund.

3 Q. What is the purpose of your testimony?

4 A. The purpose of my testimony is to recommend service quality performance,
5 monitoring and reporting requirements the Board should impose on Citizens Energy
6 Services (CES) in this docket.

7 Q. What service quality performance monitoring and reporting requirements do you
8 recommend be imposed upon CES by the Board?

9 A. I recommend that the Board impose a Service Quality and Reliability Plan (SQRP)
10 similar to the ones approved by the Board for Green Mountain Power and Central
11 Vermont Public Service. The plan DPS recommends is attached to this testimony as
12 Exhibit DPS-DLF-1.

13 Q. Why should the Board adopt the SQRP proposed by the Department?

14 A. Previous Board orders in 14 cases have firmly established the value and
15 importance of service quality and reliability standards and monitoring.¹ All Vermont
16 customers are served by telecommunications companies subject to SQRPs. A large

¹The Board has approved preliminary or final service quality and reliability plans in each of the following dockets: Docket 5903 *Investigation into Service Quality Standards, Privacy Protections, and other Consumer Safeguards for Retail Telecommunications Service* (7/1/99), Docket 6167/6189 *Investigation into an Alternative Regulation Plan for New England Telephone and Telegraph Company d/b/a Bell Atlantic-Vermont* (3/24/00), Docket 6107 *Tariff Filing of Green Mountain Power* (1/23/01), Docket 6460/6120 *Tariff filing of Central Vermont Public Service Corporation* (6/26/01), Docket 6495 *Tariff filing of Vermont Gas Systems, Inc.* (11/9/01), Docket 6149/6315 *Investigation of Washington Electric Cooperative, Inc.'s tariff filing*, (11/7/01) and the rate cases of seven municipal electric departments.

1 majority of Vermonters are now served by energy companies that are subject to SQRPs.
2 The only utilities of any significant size that are not yet subject to SQRPs are CES and
3 Burlington Electric Department.

4 In Docket 6460/6120 *Tariff filing of Central Vermont Public Service Corporation*
5 (order of 6/26/01 at 46), the Board summarized the reasons for adopting an SQRP as
6 follows:

7 We view the Service Quality Plan and its provisions for a successor
8 plan as beneficial to Vermont ratepayers for a number of reasons.
9 First, in certain areas, the Service Quality Plan is more
10 comprehensive than CVPS's current service monitoring practices.
11 In addition, implementation of the Service Quality Plan adds the
12 twin benefits of supplying public information on the level of service
13 CVPS is providing, and of supplying data which is comparable to
14 that reported by GMP, allowing for standardized comparison data
15 for almost 70 percent of the state's electric customers. Other
16 identifiable benefits include the establishment of a data base from
17 which to set future, more stringent targets, the provision for the
18 waiver of fees for missed service appointments, and expected
19 financial penalties in the Successor Plan to be adopted after two
20 years.

21 In addition, the Board identified two additional benefits of SQRPs in its order in
22 Docket 6495, recognizing that the plan in that case "will allow the company to identify
23 and fix any problems that are revealed as a result of the measuring and reporting
24 functions" and that "any incentives to cut costs do not bring about a deterioration of
25 service" (order of 11/9/01 at 46).

26 Q. What authority does the Board have to impose an SQRP on Citizens?

27 A. As in the response above, the Board's previous orders approving preliminary and
28 final SQRPs have articulated the authority to establish SQRPs. The following discussion,
29 repeated in similar fashion in each of the orders approving SQRPs, appears in the Board's
30 order in Docket 6460/6120 at p. 45:

1 Section 219 of Title 30 requires electric utilities (and other regulated
2 companies) to “furnish reasonably adequate service, accommodation and
3 facilities to the public.” Vermont law gives this Board the authority to set
4 standards regarding this utility obligation. Specifically 30 V.S.A. §
5 209(a)(1) gives this Board jurisdiction over “[t]he ... quality of any product
6 furnished or sold by any company subject to supervision under this
7 chapter,” and 30 V.S.A. § 209(a)(3) provides jurisdiction over [t]he
8 manner of operating and conducting any business subject to supervision
9 under this chapter, so as to be reasonable and expedient, and to promote
10 the safety, convenience and accommodation of the public[.]” Taken
11 together, these statutory provisions establish the basis for service quality
12 and reliability standards by which the adequacy of service can be measured
13 in order to determine whether a company is, in fact, providing “reasonably
14 adequate service” and is operating its business in a “reasonable and
15 expedient” manner that “promotes the safety, convenience, and
16 accommodation of the public.”

17 Q. What approach to service quality and reliability standards does the recommended SQRP
18 take?

19 A. The SQRP specifies seven performance areas including a total of 18 standards. No
20 baselines are set in this preliminary plan, and, instead, the recommended SQRP requires
21 the Company to work together with DPS to set actual baselines or performance thresholds
22 by October 1, 2002, or to negotiate a longer period of data collection before baselines are
23 established.

24 The framework reflected in this preliminary plan is generally consistent with the
25 Green Mountain Power and Central Vermont Public Service plans already approved by the
26 Board. In the process of moving from the preliminary plan to the final plan in those cases,
27 some adjustments were made to accommodate differences in the data collection systems in
28 place in the two companies. I expect similar differences to be revealed in the process of
29 negotiating a final plan with Citizens.

1 Q. What aspects of service are covered by the recommended plan?

2 A. The plan recommends one or more performance measures in seven broad areas of
3 service that have a substantial impact on consumers. They include:

- 4 1. Call answering
- 5 2. Billing
- 6 3. Meter reading
- 7 4. Work completion
- 8 5. Customer satisfaction
- 9 6. Worker safety
- 10 7. Reliability

11 Q. What standards do you recommend for call answering?

12 A. I recommend four standards within the broad category of call answer performance.
13 Taken together, these four measures are intended to ensure that improvement in one area
14 cannot result in deterioration in another (e.g., call answer time cannot be improved by
15 reducing the number of calls that can get into the system). They are also designed to
16 measure performance under routine conditions as well as outage situations. The purpose
17 of the performance area is to ensure consumers are able to reach the Company with
18 reasonable ease.

19 Call answer performance: The four call answer performance standards (Exhibit
20 DPS-DLF-1, Section C, Paragraph 1) include: (a) percent of customers reaching a
21 company representative within 20 seconds during normal business hours; (b) percent of
22 calls abandoned during normal business hours; (c) percent of calls abandoned outside
23 normal business hours; and (d) percent of calls blocked (calls reaching a busy signal).

24 According to its responses in discovery (DPS IR 2-42) Citizens does not currently
25 have the capability to monitor its call answer time, abandon rate, or busy rate. The
26 company has, however, budgeted to acquire a new telephone system in 2002, which will

1 “enable statistical and quality phone service monitoring” (id.). It is a reasonable
2 expectation for a company with 20,000 or more customers to have in place automated call
3 distribution equipment that facilitates monitoring of service quality. The fact that Citizens
4 is part of a much larger utility company provides further reason to expect the tools of
5 modern customer service quality assurance to be in place. Therefore, Citizens should be
6 required to follow through on its plans for phone system upgrade to facilitate quality
7 monitoring, and should then implement monitoring of the four standards I have proposed.

8 Billing performance: Billing is a company activity that affects every customer of
9 the Company, and is therefore a critical aspect of performance measurement. The
10 proposed plan includes three standards related to billing performance: percent of bills not
11 rendered monthly; percent of bills found inaccurate; and customer satisfaction with
12 payment posting.

13 Meter reading performance: Like billing, the quality of meter reading performance
14 affects every customer of the Company, and is therefore essential to a service quality
15 index. Because bill accuracy is tied to billing meter accuracy, the standard for billing
16 accuracy partially addresses any potential concern about meter reads. Therefore, the only
17 standard proposed in this area is the percentage of meters actually read, as opposed to
18 estimated, monthly. Citizens has recently moved away from bill estimation in part to
19 improve customer service (Prefiled Direct Testimony of CES witness Gary Kellogg at 7) .
20 A standard governing actual meter reading is not, however, aimed at planned estimation
21 so much as it is designed to encourage a low rate of unplanned estimations resulting from
22 meter inaccessibility or meter reader scheduling problems.

23 Work completion performance: This performance area focuses on completion of
24 work on time in two areas: line extensions and all other customer-requested work. There
25 are three specific measurements within the performance area: days to complete line
26 extensions once the customer is ready; other customer-requested work completed by the
27 delivery date; and the length of delay if an order has gone beyond the promised date. The

1 company indicates (DPS IR 2-42) that it has no mechanisms to measure performance in
2 these areas. It has been DPS's experience in implementing related performance measures
3 in other SQRPs that utilities can relatively quickly and simply establish the data gathering
4 systems necessary to monitor these aspects of customer service. The experience of other
5 companies is presumably available to Citizens in establishing its monitoring and quality
6 assurance with respect to work completion.

7 Customer satisfaction: Certain aspects of performance are very difficult to measure
8 objectively through the Company's data systems. Some less tangible aspects of service
9 depend upon consumer feedback for assessment.

10 In addition, acceptable levels of customer service are partially a function of
11 consumer expectations. For example, an individual company's acceptable performance
12 level may come to be considered substandard if technological or other changes enhance
13 performance for others in similar industries and the company does not follow suit.

14 The plan recommended by DPS includes three customer satisfaction measures to
15 be assessed by surveying customers using an independent, third-party contractor. One
16 measure will be conducted annually, and the other two quarterly.

17 The first area is the level of customer satisfaction following customer-initiated
18 contact with company Customer Service Representatives. The second area is customer
19 satisfaction following the completion of customer requested work. Both of these areas
20 would be measured by quarterly opinion surveying not currently conducted by CES.
21 Although surveying as a means of performance measurement can be costly on a per-
22 customer basis for a company with a small customer base, the SGRP of Vermont Gas
23 Systems, with its approximately 30,000 customers, includes this component. In that case,
24 surveying is done through a mail survey rather than a telephone survey. The details of an
25 efficient and effective means of surveying for CES, with its approximately 20,000
26 accounts, should be determined in the negotiation of the final SGRP.

1 The third customer satisfaction measure is the percent of all customers satisfied
2 with the company. This measure should be determined by an annual survey carried out by
3 a qualified research company by telephone using a statistically reliable sample of all
4 Citizens customers. Again, Citizens does not presently conduct such surveying, but I
5 regard it as an important tool for a company of Citizens' size to conduct such surveying at
6 least on an annual basis. Therefore, the inclusion of such a requirement in its SQRP is
7 appropriate to the scale of the company's Vermont operation. Vermont Gas Systems,
8 Green Mountain Power and Central Vermont Public Service all conduct such surveys, and
9 did so prior to the negotiation of their SQRPs.

10 Worker safety is addressed in a manner consistent with other SQRPs approved by
11 the Board. It includes two measures: Lost Time Incident Rate and Lost Time Severity
12 Rate.

13 Reliability is also addressed in a manner consistent with other SQRPs and with the
14 Board's reporting requirements in Rule 4.900. It includes two measures – System Average
15 Interruption Frequency and Customer Average Interruption Duration – as well as a
16 requirement for the identification of worst-performing areas.

17 Q. What is the term of the SQRP?

18 A. The term of the SQRP in its initial form is two years from the date of approval of a
19 Final Plan by the PSB (see Section A, Paragraph 3). The Final Plan is considered to be
20 the document negotiated by DPS and CES on or before October 1, 2002. This plan, which
21 will include the baseline measures, must be approved by the Board or standards imposed
22 by the Board if the Department and the Company are unable to agree. The SQRP also
23 includes the adoption of a successor plan at the end of the two-year term of the initial plan
24 (see Section A, Paragraph 3).

1 Q. What financial consequences are tied to performance in the SQRP?

2 A. The initial SQRP has no financial consequences. There are two reasons for this
3 decision. First, no SQRP adopted to date has included financial consequences in its initial
4 term. Second, the lack of historical data suggests the need to monitor performance for a
5 period of time to develop confidence in the baselines.

6 The requirement that CES and DPS negotiate a successor plan 90 days before the
7 expiration of the Final Plan will resolve the question of financial consequences tied to
8 service quality and reliability performance. The SQRP specifically states that the successor
9 plan shall include financial penalties and/or incentives tied to performance, either through
10 performance-based regulation, if allowed by statute, or through a connection to the
11 Company's return on equity in the alternative. DPS intends is presently advocating for
12 legislative change to permit performance-based regulation for electric companies in the
13 intervening period.

14 Q. What will happen during the life of the SQRP if monitoring shows the Company's service
15 quality fails to meet the baselines?

16 A. The SQRP (Section A, Paragraph 4) specifically reserves the right of DPS to use
17 any other remedies available under law to address substandard performance. The statutory
18 authority in 30 V.S.A. § 209(a)(1) & (3) clearly establishes the jurisdiction to address
19 service quality issues. Further, the language of 30 V.S.A. § 30 (a)(2) establishes the
20 Board's authority to penalize a company for violating 30 V.S.A. § 219, the obligation of
21 utilities to "furnish reasonably adequate service, accommodation and facilities to the
22 public." Although DPS sees the first two years of the plan as an opportunity to monitor
23 performance and ensure the integrity of the baseline measures, if the monitoring were to
24 reveal serious deficiencies, and the Company did not remedy them, penalties are available
25 under the law.

1 In addition to the authority described above, the SQRP includes a provision for
2 customer service guarantees in the initial two-year period (see Section A, Paragraph 6).
3 To the maximum extent possible, the Company is required to offer waiver of fees for
4 service not provided on a timely basis, provided that the Company is able to obtain tariff
5 approval for such guarantees.

6 Most important for ensuring service quality, the SQRP includes a provision for
7 remediation in the event performance fails to meet baseline standards (see Section B,
8 Paragraph 4). In any quarter where performance falls more than ten percent below any
9 standard, or where performance does not meet any standard for two consecutive quarters,
10 CES must, within 30 days of the end of the quarter, submit a corrective action plan
11 indicating how it will remedy the failed standard.

12 Q. Does that conclude your testimony?

13 A. Yes it does.

RECOMMENDED CITIZENS ENERGY SERVICES
SERVICE QUALITY & RELIABILITY
PERFORMANCE, MONITORING & REPORTING PLAN

Section A: General Provisions

1. The purpose of this plan is to establish performance standards, and performance monitoring and reporting for electric service provided by Citizens Energy Services ("CES" or "the Company") in all its Vermont territories. The plan shall be referred to throughout this document as the "Plan."
2. Section C of the Plan establishes performance areas, in which CES shall establish, monitor and report minimum performance standards. The Company shall negotiate with DPS to establish binding minimum performance standards and make any necessary refinements to the measurement process, reporting protocols and methods of data collection no later than October 1, 2002, which shall be referred to as the "Final Plan." If the method of data collection required to report on the performance standard has longer lead time to implement, the Company shall negotiate with DPS a specific date in which they will be able to collect the necessary data and establish the minimum performance standard. The Final Plan shall be submitted on or before October 1, 2002, to the Vermont Public Service Board ("PSB") which may, after opportunity for hearing, impose any minimum performance standards in areas where the parties' negotiations were unsuccessful. The PSB may, at its discretion, require modification of any performance measures which were not yet established in this Plan.
3. The Final Plan, following negotiation of all performance standards, shall remain in effect for two years from the date of approval by the PSB. No later than 90 days prior to the expiration of the Final Plan, CES shall negotiate with DPS, and submit to the Board for approval, a successor plan, which shall include financial penalties, and/or incentives tied to performance.
4. Notwithstanding the provisions of Section A, Paragraph 2, nothing in this Plan shall preclude the use of any other remedies available under law for addressing substandard performance.
5. In the event that CES opens its territory to retail choice during the life of this Plan, the parties acknowledge additional and/or different standards may be necessary to monitor service delivery changes attendant to restructured service delivery. CES shall negotiate with DPS additional standards should the need arise. Modifications to the Plan under this paragraph shall be submitted to the PSB for approval.

6. Notwithstanding the provisions of Section A, Paragraph 3, this Plan and its minimum performance standards to be negotiated in accordance with Section A, Paragraph 2 shall, to the greatest extent possible, include customer service guarantees permitting the waiver of fees for services not provided on a timely basis. CES shall file such tariff amendments as are necessary to implement negotiated service guarantees, and such guarantees shall not be effective unless the PSB grants tariff approval.
7. In addition to the performance standards and measurements set forth in this document, CES shall adhere to the following time frames for response to consumer and regulatory complaints:
 - a. CES shall provide a substantive response to consumer complaints expressed directly to the company within 14 calendar days of receipt by any method of contact.
 - b. CES shall provide a substantive response to consumer complaints from DPS within 14 calendar days.
 - c. If CES needs additional time to respond fully to a complaint from a consumer or from DPS, the Company shall within the initial 14-day period request a specific additional time for response and shall provide a full resolution within the requested additional time.

Section B: Measurement, and Reporting Protocol

1. CES shall continue to monitor performance in areas in which it has an established data collection method and reporting protocol. All other performance monitoring will commence in accordance with this plan, on October 1, 2002. Reporting periods shall be calendar quarters, with quarterly reports submitted to DPS by the last day of the month following the end of each quarter, except for overall customer satisfaction, worker safety and reliability performance measures, which shall be developed for the calendar year, with reports submitted by January 31 of the following year. If the performance monitoring commences before the final Board Order is issued, the parties agree to modify as necessary the performance monitoring plan in order to bring it into full compliance with the final Board Order.
2. Except as provided in Section B, Paragraph 1, performance results shall be aggregated monthly and quarterly, and shall be reported quarterly to the DPS. The parties shall jointly develop an electronic reporting format.

3. Quarterly reports shall include both monthly and quarterly averages. Quarterly and 12-month averages shall be derived from raw data, not by averaging monthly averages. Achievement of minimum standards shall be determined on the basis of a 12-month rolling average updated quarterly. A minimum performance standard shall be considered met if, in each quarter's reporting, the 12-month rolling average met or exceeded the standard.
4. Notwithstanding Paragraph 3, where quarterly performance falls more than ten percent below any standard, or where performance does not meet any standard for two consecutive quarters, CES shall, within 30 days of the end of the quarter in which this provision is triggered, submit a corrective action plan indicating how it will remediate the failed standard.
5. Performance shall be evaluated and reported to one decimal place for all performance areas unless otherwise specified. Actual performance shall be rounded up when the second decimal place is 5 or more. CES shall retain all of its reports that support the results for each of the performance areas for a period of not less than 24 months after the results are reported. CES shall provide these reports upon request to DPS.
6. CES shall review with the DPS any change to CES's measurement protocol or to the internal reporting methods that are used to obtain the data measured prior to CES's implementation of such changes. If the DPS and CES are unable to agree on the changes requested, nothing in this Plan shall preclude DPS from seeking appropriate relief from the PSB. CES shall have an affirmative duty to report missing data or other events that could reasonably affect the quality of the data at the time the Company becomes aware of such events. Any data related to the SQRP reported to DPS that reflects significantly altered measurement procedures or internal data acquisition methods that have not been agreed to between CES and DPS shall be subject to challenge and potential exclusion from results.
7. CES may seek a waiver of any applicable performance standard from the PSB. A waiver may only be granted based upon exceptional circumstances. The burden shall be on CES to demonstrate that its level of preparedness and response was reasonable in light of the cause of the failure.
8. CES and the DPS shall meet as needed to discuss service quality issues, trends in service quality data reported by CES, issues raised by customer complaints filed with the DPS, and other policy issues relating to customer service. CES shall initiate these meetings on a periodic basis with a goal of meeting no less than once every six months. Meetings may occur more frequently at either party's discretion. These meetings shall focus on customer service issues raised by customer complaints filed with the DPS and by other communications to the DPS from customers. The intent of these informal meetings is to

exchange information in an open and frank atmosphere, to suggest pragmatic solutions, and solve problems.

Section C. Performance Standards

1. **Call answer performance measures:**

- a. Call Answering Service Level: Percent of customers reaching a company representative within 20 seconds during normal business hours. This standard tracks the percentage of attempted calls to successfully reach a company representative within 20 seconds during normal business hours

$$\frac{\text{Number of all calls reaching a company rep within 20 seconds}}{\text{Number of attempts to reach a company rep}}$$

This measure includes outage and business calls received during normal business.

- b. Abandon Rate: Percent of calls abandoned during normal business hours. This standard tracks the percentage of all attempted calls to reach a company representative during normal business hours that are abandoned after reaching CES's telephone system. It shall be calculated as follows:

$$\frac{\text{Number of all calls abandoned}}{\text{Total calls}}$$

This measure includes outage and business calls received during normal business hours.

- c. Abandon Rate: Percent of calls abandoned outside of normal business hours. This standard tracks the percentage of all attempted calls to reach a company representative outside of normal business hours that are abandoned after reaching CES's telephone system. The purpose of this standard is to track off-hours outage calls. It shall be calculated as follows:

$$\frac{\text{Number of all calls abandoned}}{\text{Total calls}}$$

This measure includes calls received during normal business hours, Monday through Friday, and 24 hours on weekends and holidays on which CES offices are closed to normal business.

- d. Blocked calls: Percent of customer blocked (reaching a busy signal). This standard tracks the number of customer calls which reach a busy signal thus preventing customer from reaching CES's Call Center. It shall be calculated as follows:

$$\frac{\text{Number of customer calls receiving a busy signal}}{\text{Total number of calls to Call Center}}$$

2. **Billing performance measures:**

- a. Percent of bills not rendered monthly. This standard tracks the percentage of bills not rendered monthly. This standard shall be reported to the third decimal place. It shall be calculated as follows:

$$\frac{\text{Number of bills not rendered for the billing month}}{\text{Total number of bills rendered for the billing month}}$$

- b. Percent of bills found inaccurate. This includes all bills that are determined to be inaccurate as result of a customer complaint and all bills that are found to be inaccurate by the company after the bill has been sent to the customer. It shall be calculated as follows:

$$\frac{\text{Number of bills rendered inaccurately for the month}}{\text{Total number of bills rendered for the billing month}}$$

- c. Satisfaction with payment posting. This standard is defined as the combined rate of complaints regarding the speed of payment posting per thousand customers expressed directly to the Company and to DPS. It shall be calculated as follows:

$$\frac{\text{Number of customers complaining about payment posting speed}}{\text{Total number of customers}/1000}$$

3. **Meter reading performance measures:**

- a. Percent of actual meter readings per month: This standard tracks the percentage of meters actually read each month in relation to the number that were scheduled to be read. It shall be calculated as follows:

$$\frac{\text{Number of meters read}}{\text{Number of meter readings scheduled}}$$

4. **Work completion performance measures:**

- a. Average days to completion of a line extension from the date the customer is ready. This standard tracks the percent of line extensions completed from the time the customer is ready. Performance shall be calculated as follows:

$$\frac{\text{Total days to complete line extensions minus exclusions}}{\text{Number of line extensions completed}}$$

- b. Percent of customer requested work completed on or before promised delivery date: This standard tracks the percentage of jobs resulting from customer requests for meter related or other customer requested work that is completed on or before the promised completion date. Performance shall be calculated as follows:

$$\frac{\text{Number of jobs completed on or before promised date}}{\text{Total number of jobs completed}}$$

- c. Average delay days for missed delivery date: This standard tracks the average number of days of delay for the completion of meter related or other customer requested work that is completed on or before the promised completion date. Performance shall be calculated as follows:

$$\frac{\text{Total days of delay}}{\text{Total number of delayed jobs}}$$

5. **Customer satisfaction measures:**

- a. Percent of customer satisfaction following customer-initiated contact with the company (report, request, inquiry, complaint). This standard tracks the level of customer satisfaction following direct interaction with a CSR or other company representative resulting from a customer-initiated contact. Using an independent, third-party contractor, CES shall survey post-transaction a statistically reliable sample of customers who have contacted the company with a report, request, inquiry or complaint to assess level of satisfaction with the transaction. This survey will be conducted quarterly starting in the third quarter of 2002. The questions, explanatory information, and method of surveying, as well as the minimum performance levels, shall be negotiated in accordance with Section A, Paragraph 2.

- b. Percent of customers satisfied following completion of customer requested work. This standard tracks the level of customer satisfaction following customer-requested work completed by CES. Using an independent, third-party contractor, CES shall survey post-completion a statistically reliable sample of consumers who have had customer requested work completed by the company to assess level of satisfaction with the work performed. This survey will be conducted quarterly starting in the third quarter of 2002. The questions, explanatory information, and method of surveying, as well as the minimum performance levels, shall be negotiated in accordance with Section A, Paragraph 2.
- c. Percent of all customers satisfied with the company: This standard shall be measured once annually. Using an independent, third-party contractor, CES shall survey a statistically reliable sample of the company's Vermont customers to assess general customer satisfaction. The wording of questions, the explanatory information provided, sample size, and the method of surveying, as well as the minimum performance level, shall be negotiated in accordance with Section A, Paragraph 2.

6. **Worker safety performance measures:**

- a. Lost Time Incidents: Lost time incidents are the total number of incidents in a calendar year that: (1) cause an injury to an employee; and (2) occur while the employee is performing work for the utility; and (3) result in the employee missing work beyond the day of the injury.
- b. Lost Time Severity: Lost time severity is the cumulative number of work days missed by employees in a calendar year, resulting from injuries sustained by the employees while performing work for the utility.

7. **Reliability Performance Measures:**

- a. System average interruption frequency ("SAIFI"). This standard is defined in Public Service Board Rule 4.901 and shall be established for the system as a whole.
- b. Customer average interruption duration ("CAIDI"). This standard is defined in Public Service Board Rule 4.901 and shall be established for the system as a whole.

- c. Worst-Performing Areas. For each calendar year, CES shall identify the ten worst performing circuits on its system, identify the factors underlying the performance of these circuits, and institute economically feasible measures to improve the reliability of these circuits. All circuits which have been identified shall be monitored each year, over a five-year period, to determine the effectiveness of the improvement measures and to identify any further measures that may be required.
- d. Major Storms. Calculation of the SAIFI and CAIDI indices shall be net of outages caused by major storms. A major storm is defined as a severe weather event that satisfies all three of the following criteria:
 - i. Extensive mechanical damage to the utility infrastructure has occurred;
 - ii. More than 10% of the customers in a service territory are out of service due to the storm or the storm's effects; and
 - iii. At least 1% of the customers in the service territory are out of service for at least 24 hours.